Amendments to the Specification: Please amend the specification as follows:

Please replace the first full paragraph starting at page 17, line 12 and ending at page 18, line 7 with the following rewritten paragraph:

In the first mode of operation, light incident from an external light source 86 in front of the display is polarized by the polarizer 66, and rotated by the rotator 58-62 so that no phase step is seen at the lens 42, 40. The light then passes through the waveplate 84 where it is converted to a circular polarization state. ~~Fig. 9 shows in more detail the alignment of the optical axis of the quarter waveplate in cooperation, the optical path for light from an external light source 86 is unfolded, and is shown for the directional mode of the apparatus of Fig. 6.~~ In particular, the [[The]] incident light from the light source 86 has a polarization direction [[93]] from the polarizer 66 ~~with polarization transmission direction 92~~. The light passes through the polarization switch ~~not shown~~ such that the polarization state [[94]] passes through the substrate 41. The polarization state [[97]] is incident on the birefringent optical axis [[96]] of the birefringent lens 42. ~~In this example, the alignment of the birefringent lens is anti-parallel so that the alignment direction 98 at the substrate 56 is produced and the polarization direction 99 in substrate 56 is produced.~~ The optical axis direction [[180]] of the quarter waveplate 84 is set 45 degrees to the direction ~~98, being~~ of the alignment of the birefringent material in the birefringent lens on the surface closest to the quarter waveplate 84. The quarter waveplate 84 produces a substantially circular polarization state 101. The light reflects from the pixel plante 50 with a circular polarization state [[102]], and sees the quarter waveplate axis 100 to give a polarization state output [[104]]. The quarter waveplate 84 thus serves to output a polarization state which is at [[99]] degrees to the direction 99 on the reflected path. This polarization states ~~106, 108 are~~ is orthogonal to the birefringent optical axis direction ~~96, 98~~ at the lens. At the polarization switch, the polarization state is unrotated so the polarization ~~sate 110~~ state passes through the substrate 64 and is incident on the polarizer 66 where it is substantially absorbed.